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June 7, 2017

Mr. Camas Frey
Division Director
Air Quality Division
Oklahoma Department of Environmental Quality
707 North Robinson
P.O. Box 1677
Oklahoma City, Oklahoma 73102-1677

Re: DCP Operating Company, LP – Union City Booster, Yukon Booster, Concho Booster; ODEQ April 20, 2017, Alternative Enforcement Letter, *Factual Corrections*

Dear Mr. Frey,

DCP Operating Company, LP (DCP) is in receipt of the Oklahoma Department of Environmental Quality's (ODEQ's) April 20, 2017, Alternative Enforcement letter relating to the above-referenced DCP facilities. ODEQ's Alternative Enforcement letter makes a proposal, but more importantly reaches conclusions, premised upon an ODEQ November 28, 2016, Partial Compliance Evaluation (PCE) memorandum. In this letter DCP provides clarification on key facts in the PCE memorandum, relating to operation and use of the subject flow-through process sumps that, when considered by ODEQ, reach the conclusion that these sumps are, in fact, flow-through process sumps (*i.e.*, Process Vessels) exempt from OOOO and are not storage vessels regulated under OOOO. In its November 28, 2016, PCE memorandum, ODEQ used assumptions and calculations to estimate how the sumps presumably functioned – this letter provides actual operational information demonstrating that the assumptions and calculations used in the PCE are inaccurate (they do not reflect how the sumps actually function) and thus lead to the wrong conclusion, and that the sumps appropriately maintain very little material, mostly water and some settling bottoms, when the sumps are not otherwise fulfilling their normal function of transferring (flow-through) the product condensate/water materials at the facility.

Per ODEQ's April 20, 2017, Alternative Enforcement letter, DCP is bringing factual corrections to ODEQ's attention for consideration in reaching a regulatory determination, and if necessary DCP is able to meet with ODEQ on this matter. DCP believes these sumps are process flow-through vessels based on the factual clarifications in this letter and for the reasons set forth in DCP's November 3, 2016, letter to ODEQ, and they are not storage vessels.

Factual Clarification – the sumps transfer liquids right away to atmospheric tanks; the sumps do not store condensate/water liquids

As described in ODEQ's November 28, 2016, PCE memorandum, ODEQ calculates that, using information provided upon request by DCP, the sumps dump every 9.2 days at Yukon Booster, 5.5 days at Concho Booster, and 4.3 days at Union City Booster – these are estimations by ODEQ based upon calculations. These estimations appear to inaccurately assume that condensate liquids accumulate regularly over time up to the number of days calculated before the sump pump kicks on and the sump is evacuated (*i.e.*, the sumps fill to the top over days before they are evacuated). That is not the way the sumps work. The total days listed by ODEQ are not representative of what happens at the sites and assumptions used are not accurate. As previously discussed in DCP's letter dated November 3, 2016, the sump pumps are set on a level control and evacuate condensate liquids from the sump to a storage tank every time that there is a minimum of 6 inches increase in the level of the fluids in the sump, *i.e.*, as soon as, and any time that, the float switch rises six inches above its shutoff level.

DCP stated to ODEQ through email on November 8, 2016, that there was no way to track how often the pump turns on (such information is not recorded). In response to an ODEQ question, DCP provided an assumption of how many times the sump would need to dump, if no level control were present, and noted in this email. In all of DCP's sumps, however, the pump is activated when a certain level of condensate/water liquids are reached in the sump. The liquid transfer pump is activated whenever four to six inches of additional liquid is introduced to the sump. The pump remains on, transferring the liquid to a storage tank, until the liquid level in the sump is below the pump activation limit (when the pump level float gets to the bottom, and shuts off the pump [low-level switch]) in order to protect the pump from continuing to operate when it has run dry and prevent possibility of burning up the pump with any associated impacts from that. Anytime condensate/water is directed from the inlet separator into the flow-through sump, the pump kicks on and pumps that condensate/water out of the sump and to the atmospheric condensate storage tank, and continues pumping until the low-level switch shuts off the sump pump – condensate/water is never stored in the flow-through sump. Therefore the only liquid level in the sumps is a void between the bottom of the sump and the bottom of the pump. This void is needed for any solids to settle out and to prevent those solids from causing the pump to operate improperly, again for safety reasons. Currently, this solid settling void varies based on pump types. The maximum totals of solids/residual staying in the sumps would be approximately 1 foot, which as mentioned is for safety purposes and room for solids to settle. Accordingly, the sumps do not store liquid as described by ODEQ in its November 28, 2016, PCE memorandum. Also, please note the sump size for Yukon booster is 80 bbl and not 160 bbl as listed in ODEQ's November 28, 2016, partial inspection letter.

Definitions of a storage vessel as stated in 40 C.F.R. 60.5430

As discussed in ODEQ's November 28, 2016, PCE memorandum, ODEQ states that the sumps are storage vessels based on the storage vessel definition found in 40 C.F.R. 60.5430. Understanding the factual clarification, above, these flow-through sumps do not store condensate/water liquid material for any period of time. For the reasons described in detail in DCP's November 3, 2016, letter, these flow-through sumps clearly meet the definition of Process Vessel in 40 C.F.R. 60.5430(2) [within the definition of Storage Vessel]. DCP clearly meets the Process Vessel exemption as not only one of the suggested types, but this equipment meets the definition of all types listed, surge protection for the inlet receiver, bottoms or knockout vessel for the inlet receiver. As discussed in DCP's November 3, 2016, letter, EPA also acknowledges and has stated that other vessels, if they meet the characteristics, can also be Process

Vessels. ODEQ stated that the sumps primary purpose is "short term storage," which is not the case and never has been the case. ODEQ's statement that "This eliminates all exemptions found in Subpart OOOO" is not accurate. To the contrary, the exemption at 40 C.F.R. 60.5430(2) correctly applies.

Emissions associated with sumps

As discussed in ODEQ's April 20, 2017, Alternative Enforcement letter, ODEQ asserts that the flow-through sumps at Yukon Booster, Concho Booster, Stolz Booster, Union City Booster, and Lightning Booster are operated above 6 TPY based on their current permitted limits. DCP believes the emissions should not be an issue since the process sumps qualify as Process Vessels as defined in 40 C.F.R. 60.5430(2). However, before NSPS Subpart OOOO was promulgated, sumps were calculated with the maximum emissions corresponding to the maximum condensate throughput. In many cases these limits were above actual emissions. Also, before NSPS Subpart OOOO, a sump change did not trigger a permit change in emissions, since sumps were not permitted. The facts are, based on actual condensate throughputs for Yukon Booster, Concho Booster, Union City Booster, and Stolz Booster, that the actual emissions are below 6 TPY or could be permitted below 6 TPY. Condensate throughput levels considered in permits could be lowered to keep emissions permitted below 6 TPY. DCP did not violate NSPS Subpart OOOO since emissions are less than 6 TPY and the fact that DCP believes these process vessels qualify for the exemption in 40 C.F.R. 60.5430(2) is a separate consideration. The fact that the subject sumps were permitted at levels greater than 6 TPY is an artifice of how sumps were captured in permits in Oklahoma prior to OOOO, and do not reflect actual emissions. Lighting Booster already has controls in place and should not be listed at all in this discussion.

Based upon the factual clarifications set forth in this letter, ODEQ should feel comfortable concluding that the flow-through process sumps are Process Vessels and are not subject to that regulation's requirements for Storage Vessels. DCP would like to schedule a meeting with ODEQ to discuss a path forward. DCP has not ruled out a determination from EPA on the issue, but does not believe such is necessary at this time for the reasons set forth herein and in DCP's letter to ODEQ dated November 3, 2016.

Should you have questions, please feel free to contact me.

Sincerely,

for

Stephen Ondak
Environmental Manager